REMARKS/ARGUMENTS

In response to the Office Action dated October 21, 2003, Applicants respectfully request reconsideration based on the following remarks. Applicants respectfully submit that the claims as presented are in condition for allowance.

Claims 1-41 are pending in this application, of which claims 1-12 and 25-41 have been canceled, and claims 13, 20, 23, and 24 have been amended. Claims 1-5, 7, 8, 10-17, 19, 20, 22-28, 30, 31, 33-36, 39, and 41 stand rejected under 35 U.S.C. § 102(b) as allegedly being unpatentable over U.S. Patent No. 6,160,989 ("Hendricks"). Claims 6, 18, 29, 37, and 38 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Hendricks in view of U.S. Patent No. 5,630,204 ("Hylton"). Claims 9, 21, 32 and 40 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Hendricks in view of U.S. Patent Application No. US2002/0083441 ("Flickinger").

Rejections Under 35 U.S.C. § 102(b)

Claims 1-5, 7, 8, 10-17, 19, 20, 22-28, 30, 31, 33-36, 39, and 41 stand rejected under 35 U.S.C. § 102(b) as allegedly being unpatentable over Hendricks. Applicants respectfully disagree.

The Claimed Invention

The present application discloses systems and methods for inserting advertising content into broadcast content. More specifically there is disclosed:

"A viewer device such as, for example, a set top box (STB) located at a home or viewer location gathers data identifying the characteristics of a viewer such as, for example, the viewer's age, gender, marital status, geographic location, and viewing habits. The viewer characteristic data is used to identify advertising content corresponding to the characteristics of a viewer. . . Upon receiving the advertising content, the viewer device selects advertisements matching the viewers characteristics and inserts the selected advertisements into the broadcast programming. Thereafter, the viewer device transmits the

broadcast content and inserted advertising content to a television for viewing at the home or viewer location." (Application, Summary of the invention).

In accordance with the disclosure, newly amended claim 13 is directed to a "method for inserting advertising content in broadcast programming." The claimed method comprises the following steps:

> "**gathering at a viewer device data identifying characteristics of a viewer** *that is confined to the viewer device*;
> receiving at the viewer device advertising content;
> **identifying at the viewer device advertising content corresponding to the** *confined* **characteristics of the viewer**;
> receiving at the viewer device broadcast content;
> **inserting at the viewer device into the broadcast content advertising content corresponding to the** *confined* **characteristics of the viewer**."

Newly amended claim 13 is consistent with the specification of the present application. For example, in an exemplary embodiment, advertisements are sent to the viewer device, and the selection of advertising content occurs at the viewer device (Specification, pg. 6-8; Fig. 4). Thus, in this embodiment, the viewer characteristics data is gathered at and confined to the viewer device. The viewer characteristics data is not forwarded to a head end, a controller, or any other device. By confining the viewer characteristics to the viewer device, the viewer's privacy is protected.

In order for a reference to anticipate newly amended claim 13, the reference must teach the combination of all of the claimed elements, including the emphasized elements of claim 13 above. Applicants' undersigned attorney respectfully submits that the cited reference does not.

The Cited Reference Does Not Teach the Claimed Invention

Hendricks discloses a network controller (Fig. 2, element 214) **inside a cable headend** (Fig. 2, element 208). The network controller:

"modifies a program control information signal at the cable headend before the modified signal is transmitted to each STB. _**This signal is used with polling methods to receive upstream [viewer characteristics] data from the STB's.**_ The invention initiates such upstream data retrieval, gathers all data received, and compiles viewer demographics information and programs watched information. The invention processes this data and information to generate packages of advertisements targeted towards each STB."

(Hendricks, Abstract of the Invention).

Thus, Hendricks teaches a system wherein viewer characteristics data is not confined to a viewer device (i.e. set top box). Rather, as explained above, the viewer characteristics data is sent to the network controller that then selects advertising content to send back to the set top, based on the viewer characteristics data.

Importantly, and in contrast to the present invention, Hendricks does not teach, "gathering at a viewer device data identifying characteristics of a viewer _**that is confined to the viewer device**_", as recited in independent claim 13 of the present application. Furthermore, Hendricks does not teach, "identifying at the viewer device advertising content corresponding to the _**confined**_ characteristics of the viewer" as recited in independent claim 13. Additionally, Hendricks does not teach, "inserting at the viewer device into the broadcast content advertising content corresponding to the _**confined**_ characteristics of the viewer", as recited in independent claim 13. Indeed, to the contrary, as explained above, Hendricks teaches sending viewer characteristics data to a network controller at the cable headend. Thus, not only does Hendricks not teach the claimed elements, it actually teaches away from the claimed combinations.

Applicants respectfully submit that dependent claims 14-17, 19, 20, and 22-24 are patentable at least by reason of their dependency. Applicants further note that claims 2-5, 7, 8, 10-12, 26-28, 30, 31, 33-35, 39, and 41 are cancelled by the present amendment.

Accordingly, reconsideration and withdrawal of the 35 U.S.C. § 102(b) rejections are respectfully requested.

Rejections Under 35 U.S.C. § 103(a)

Dependent claims 6, 18, 29, 37, and 38 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Hendricks in view of Hylton. Dependent claims 9, 21, 32 and 40 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Hendricks in view of Flickinger. Applicants respectfully disagree and submit that dependent claims 18 and 21 are patentable at least by reason of their dependency. Applicants further note that claims 6, 9, 29, 32, 37, 38, and 40 are cancelled by the present amendment. Accordingly, reconsideration and withdrawal of the 35 U.S.C. § 103(a) rejections are respectfully requested.
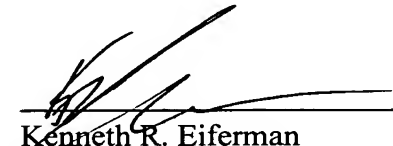
CONCLUSION

In view of the above remarks, Applicant respectfully submits that the present

application is in condition for allowance. Reconsideration of the application and an early

Notice of Allowance are respectfully requested.

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